

**From:** Shelton, Nancy K. [mailto:nkshelton@tva.gov]  
**Sent:** Friday, June 10, 2005 8:38 AM  
**To:** raamato@ky.gov  
**Subject:** Fw: Technical conference written comments

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Please see below. Have a great weekend!

JUN 10 2005

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-----Original Message-----

From: Whitehead, James T. <jtwhitehead@tva.gov>  
To: Shelton, Nancy K. <nkshelton@tva.gov>; Tiller, William R. <wrtiller@tva.gov>  
Sent: Fri Jun 10 08:33:47 2005  
Subject: RE: Technical conference written comments

N <<KY PSC605.doc>> ancy -  
Here's our comments. Sorry for the delay, I've been out of town.

Jim  
James T. Whitehead  
Manager, Transmission Planning  
MR 5G - C  
423-751-3913  
423-751-3453 Fax

-----Original Message-----

From: Shelton, Nancy K.  
Sent: Thursday, June 09, 2005 4:22 PM  
To: Tiller, William R.; Whitehead, James T.  
Subject: FW: Technical conference written comments

Jim, Billy:

Please let me know if you have the written comments ready for the technical conference on Tuesday. Do you need directions to Frankfort or hotel arrangements? The conference begins in the morning, First: Regulated Utilities. Second: Non PSC-Regulated industry reps (TVA included here). Third: Academic, Environmental, Consumer interests. The afternoon will be "open Mic".

Please let me know if you have any questions.

Thank you,

Nancy

-----Original Message-----

From: Amato, Robert A (PSC) [mailto:raamato@ky.gov]  
Sent: Thursday, June 09, 2005 3:02 PM  
To: Shelton, Nancy K.  
Cc: Burford, Michael (PSC)  
Subject: Technical conference written comments

6/10/05



Nancy, we have not received written comments for the technical conference. We had asked for them by Wednesday June 6. Will Mr. Whitehead provide written comments prior to the conference? If so, he can email them to me and I will file them for him.

Thanks,  
Bob  
Robert A. Amato, P.E.  
Deputy Executive Director  
Kentucky Public Service Commission  
502-564-3940  
raamato@ky.gov

TENNESSEE VALLEY AUTHORITY  
STATEMENT BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION  
TECHNICAL CONFERENCE ON KENTUCKY'S ELECTRIC GENERATION,  
TRANSMISSION, AND DISTRIBUTION NEEDS  
JUNE 14, 2005

James T. Whitehead  
Manager, Transmission Planning

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The State of Kentucky is to be commended for placing considerable attention on assuring an adequate power supply for the state's future. For decades, the assurance of an adequate power supply has been relatively straightforward. Make an assessment of the state's future loads, build the amount of generation facilities necessary to provide for the new loads, and then build the necessary transmission facilities required to connect the generation to adequately serve the loads across the state. This conference is timely since the electric utility industry is in the midst of changing from an environment of local utilities simply taking care of local problems to a very wide area market based environment.

A very large amount of data has been requested for this assessment. The Commission should be certain that all of it is properly studied by reputable electric power consultants to assure an adequate power supply for Kentucky's future and to ascertain that the electric system infrastructure is able to withstand the market forces just now beginning to impact it. This is one of the more significant issues facing the electric power industry in Kentucky and the surrounding areas. It will be very difficult to predict the many ways that market forces can place burdens on the system and to identify the measures needed to be taken to address the situation. With the market changing now and uncertainty as to what infrastructure improvements may be needed over time, we may need to operate for some time with restrictions in the market to address transmission limitations to maintain reliability of the grid. Indeed TVA understands this and to help protect the area it serves in Kentucky and in the other six southeastern states in which it operates has entered into coordination arrangements with the two large adjoining RTOs—MISO and PJM. TVA believes that the exchange of data and better operating and planning tools we have developed and are continuing to improve will help TVA and the others participating in these arrangements see the bigger picture. This will not only help us maintain reliability of the grid as it exists today but will assist in the coordination of wider transmission planning efforts as we look out into the future.

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